

ASSEMBLY BILL

No. 466

Introduced by Assembly Member Parra

February 16, 2005

An act to add Section 5019.90 to the Public Resources Code, relating to parks and recreation.

LEGISLATIVE COUNSEL'S DIGEST

AB 466, as introduced, Parra. Parks and recreation: assistance grants: review.

Existing law vests with the Department of Parks and Recreation control of the state park system.

This bill would require the department, to apply specified conditions with respect to the award of a grant for a state or local park project, including, but not limited to, a recreation project, that is funded pursuant to an item contained in an annual Budget Act, when the project is not evaluated through a competitive review process administered by the department.

The bill would require the department not later than June 30, 2005, to adopt policies and procedures for project oversight and monitoring of those grants, and to provide a copy of those policies and procedures to specified legislative committees, as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature that park and
- 2 recreation projects recommended by Members of the California
- 3 Legislature on behalf of their communities that are to be funded

1 through grants awarded pursuant to the Budget Act, and that are
2 administered by the Department of Parks and Recreation, should
3 have a thorough review before any funds are committed to those
4 projects. It is further the intent of the Legislature that once a
5 project is initiated, it should receive regular oversight and
6 monitoring.

7 SEC. 2. Section 5019.90 is added to the Public Resources
8 Code, to read:

9 5019.90. (a) The following conditions apply to funds
10 appropriated in an annual Budget Act to the department for a
11 grant for a state or local park project when the project is not
12 evaluated through a competitive review process administered by
13 the department:

14 (1) The funds of the grant shall be encumbered in accordance
15 with the requirements of Section 16304 of the Government Code.

16 (2) The department shall not award the grant unless the item of
17 the Budget Act appropriating the grant funds clearly identifies
18 the grantee and states the clear purpose for the use of the granted
19 funds.

20 (A) Funds subject to this section shall not be diverted to
21 another use or another grantee or intermediary other than those
22 identified in that item of the Budget Act.

23 (B) Project grant applications and contracts shall meet the
24 purpose specified in that item of the Budget Act.

25 (3) A contract between the department and a grantee shall
26 establish expected timelines for project activities and expected
27 completion dates. A grantee shall provide the department with a
28 project status report, in a format to be established by the
29 department, every six months after signing the contract. A
30 grantee that does not comply with the reporting requirements of
31 this paragraph may be subject to the assessment of a penalty in
32 an amount equal to 10 percent of the granted funds for each
33 violation.

34 (4) The department shall not make any grant payment without
35 sufficient documentation, as determined by the director.

36 (5) Clear documentation, as specified by the department, shall
37 be provided by a grantee to confirm completion of a project.
38 Whenever possible, department staff shall inspect the project to
39 ensure its completion before authorizing final payment of grant
40 funds.

1 (6) The department shall not expend more than 3 percent of a
2 grant's funds on administrative costs, including, but not limited
3 to, project monitoring, oversight, and auditing. These funds shall
4 not be expended for any other purpose.

5 (7) Each year the department shall audit at least 10 percent of
6 the project grants subject to this section. In the event that the
7 director determines that an audit raises concerns or questions,
8 and the department does not have sufficient audit staff, the
9 Resources Agency shall assign additional audit staff for the
10 purpose of assisting in the timely completion of these audits.

11 (b) This section shall apply to funds from the sale and issuance
12 of bonds that are appropriated for grants only to the extent the
13 requirements of this section do not conflict with the provisions of
14 the bond act that is the source of the appropriated grant funds.

15 (c) Not later than June 30, 2005, the department shall adopt
16 policies and procedures for project oversight and monitoring of
17 legislative grants provided pursuant to subdivision (a).
18 Notwithstanding Section 7550.5 of the Government Code, a copy
19 of these policies and procedures shall be sent to the Joint
20 Legislative Audit Committee, Joint Legislative Budget
21 Committee, and the appropriate budget committees and standing
22 committees of jurisdiction in each house of the Legislature, and
23 any subsequent amendments to the policies and procedures shall
24 be sent to those legislative committees at the end of the relevant
25 budget year, with an explanation as to their need and purpose.